
TITLE 71 INDIANA HORSE RACING COMMISSION

Emergency Rule
LSA Document #13-452(E)**DIGEST**

Amends [71 IAC 3-2-1](#), general authority. Amends [71 IAC 3-2-2](#), period of authority. Amends [71 IAC 3.5-2-1](#), general authority. Amends [71 IAC 3.5-2-2](#), period of authority. Amends [71 IAC 3.5-6-1](#), general authority. Amends [71 IAC 3.5-6-2](#), records. Amends [71 IAC 4-2-3](#), financial reports. Amends [71 IAC 5-1-14](#), grounds for sanctions. Amends [71 IAC 5-1-16](#), license restrictions, limitations, and conditions. Amends [71 IAC 5-1-18](#), changes in application information. Amends [71 IAC 5.5-1-13](#), license denial. Amends [71 IAC 5.5-1-14](#), grounds for sanctions. Amends [71 IAC 5.5-1-16](#), license restrictions, limitations, and conditions. Amends [71 IAC 5.5-1-18](#), changes in application information. Amends [71 IAC 8-10-6](#), penalties. Amends [71 IAC 8-11-3](#), penalties. Amends [71 IAC 8.5-10-4](#), taking of samples. Amends [71 IAC 8.5-10-6](#), penalties. Amends [71 IAC 8.5-11-3](#), penalties. Amends [71 IAC 9-1-18](#), unrestricted access. Amends [71 IAC 9-1.1-2](#) through [71 IAC 9-1.1-4](#), [71 IAC 9-1.5-1](#), and [71 IAC 9-1.5-2](#) regarding mobile gaming. Amends [71 IAC 10-2-10](#), stay. Amends [71 IAC 10-3-1](#), initiation of proceedings. Adds [71 IAC 11-1-12.1](#), distribution agreements. Amends [71 IAC 13-1-1](#), registration of horsemen's associations. Amends [71 IAC 13-1-7](#), financial reports. Amends [71 IAC 13.5-1-1](#) regarding the definition of "Indiana bred". Amends [71 IAC 13.5-2-1](#) regarding mare registration. Effective October 3, 2013.

[71 IAC 3-2-1](#); [71 IAC 3-2-2](#); [71 IAC 3.5-2-1](#); [71 IAC 3.5-2-2](#); [71 IAC 3.5-6-1](#); [71 IAC 3.5-6-2](#); [71 IAC 4-2-3](#); [71 IAC 5-1-14](#); [71 IAC 5-1-16](#); [71 IAC 5-1-18](#); [71 IAC 5.5-1-13](#); [71 IAC 5.5-1-14](#); [71 IAC 5.5-1-16](#); [71 IAC 5.5-1-18](#); [71 IAC 8-10-6](#); [71 IAC 8-11-3](#); [71 IAC 8.5-10-4](#); [71 IAC 8.5-10-6](#); [71 IAC 8.5-11-3](#); [71 IAC 9-1-18](#); [71 IAC 9-1.1-2](#); [71 IAC 9-1.1-3](#); [71 IAC 9-1.1-4](#); [71 IAC 9-1.5-1](#); [71 IAC 9-1.5-2](#); [71 IAC 10-2-10](#); [71 IAC 10-3-1](#); [71 IAC 11-1-12.1](#); [71 IAC 13-1-1](#); [71 IAC 13-1-7](#); [71 IAC 13.5-1-1](#); [71 IAC 13.5-2-1](#)

SECTION 1. [71 IAC 3-2-1](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 3-2-1](#) General authority**Authority:** [IC 4-31-3-9](#)**Affected:** [IC 4-31](#)

Sec. 1. (a) The judges for each meeting shall be responsible to the commission for the conduct of the race meeting in accordance with the laws of this jurisdiction and these rules.

(b) The judges shall enforce these rules and the racing laws of this jurisdiction.

(c) The authority of the judges includes supervision of all:

- (1) racing officials;
- (2) track management;
- (3) licensed personnel;
- (4) other persons responsible for the conduct of racing; and
- (5) patrons;

as necessary to ensure compliance with these rules.

(d) The judges shall have authority to resolve conflicts or disputes related to racing and to discipline violators in accordance with the provisions of these rules.

(e) The judges shall have authority to issue rulings consistent with these rules on dates outside of the race meet calendar.

~~(e)~~ **(f)** The judges have the authority to interpret these rules and to decide all questions of racing not specifically covered by these rules.

(Indiana Horse Racing Commission; [71 IAC 3-2-1](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1127; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 2. [71 IAC 3-2-2](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 3-2-2](#) Period of authority

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 2. The period of authority of the judges shall commence not more than thirty (30) days prior to the beginning of each race meeting and shall terminate with completion of their official business pertaining to the meeting. **The judges shall have authority to act on behalf of the commission for the entire year during which the race meet is scheduled.**

(Indiana Horse Racing Commission; [71 IAC 3-2-2](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1127; emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2826, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 3. [71 IAC 3.5-2-1](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 3.5-2-1](#) General authority

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 1. (a) The stewards for each meeting shall be responsible to the commission for the conduct of the race meeting in accordance with the laws of this jurisdiction and these rules.

(b) The stewards shall enforce these rules and the racing laws of this jurisdiction.

(c) The authority of the stewards includes supervision of all:

- (1) racing officials;
- (2) track management;
- (3) licensed personnel;
- (4) other persons responsible for the conduct of racing; and
- (5) patrons;

as necessary to ensure compliance with these rules.

(d) The stewards shall have authority to resolve conflicts or disputes related to racing and to discipline violators in accordance with the provisions of these rules.

(e) The stewards shall have authority to issue rulings consistent with these rules on dates outside of the race meet calendar.

~~(e)~~ **(f)** The stewards have the authority to interpret these rules and to decide all questions of racing not specifically covered by these rules.

(Indiana Horse Racing Commission; [71 IAC 3.5-2-1](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2829, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 4. [71 IAC 3.5-2-2](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 3.5-2-2](#) Period of authority

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 2. The period of authority of the stewards shall commence not more than thirty (30) days prior to the

beginning of each race meeting and shall terminate with completion of their official business pertaining to the meeting. **The stewards shall have authority to act on behalf of the commission for the entire year during which the race meet is scheduled.**

(Indiana Horse Racing Commission; [71 IAC 3.5-2-2](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2829, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 5. [71 IAC 3.5-6-1](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 3.5-6-1](#) General authority

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#); [IC 4-35-7-12](#)

Sec. 1. The horsemen's bookkeeper shall maintain the records and accounts and perform the duties described in this rule and maintain such other records and accounts and perform such other duties as the association and the commission may prescribe, **including making records available if needed for state board of accounts annual audit in accordance with [IC 4-35-7-12\(h\)](#).**

(Indiana Horse Racing Commission; [71 IAC 3.5-6-1](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2833, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 6. [71 IAC 3.5-6-2](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 3.5-6-2](#) Records

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 2. (a) The records shall include the name, mailing address, Social Security number or federal tax identification number, and the state or country of residence of each horse owner, trainer, or jockey participating in the race meeting who has funds due or on deposit in the horsemen's account.

(b) The records shall include a file of all required statements of partnerships, syndicates, corporations, assignments of interest, lease agreements, and registrations of authorized agents.

(c) All records of the horsemen's bookkeeper shall be kept separate and apart from the records of the association.

(d) All records of the horsemen's bookkeeper, including records of accounts and monies and funds kept on deposit, are subject to the inspection by the commission at any time.

(e) All records of the horsemen's bookkeeper are subject to review by the state board of accounts in accordance with [IC 4-35-7-12\(h\)](#).

~~(e)~~ **(f)** The association licensee is subject to disciplinary action by the commission for any violation of or noncompliance with the provisions of this rule.

(Indiana Horse Racing Commission; [71 IAC 3.5-6-2](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2833, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 7. [71 IAC 4-2-3](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 4-2-3](#) Financial reports

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31-13-6](#); [IC 4-35-7-12](#)

Sec. 3. (a) The commission may require periodic audits to determine that the association has funds available to meet those distributions for the purposes required by the Act, [IC 4-35-7-12](#), these rules, the conditions and nomination race program of the race meeting, and the obligations incurred in the daily operation of the race meeting. **Such audits are in addition to the state board of accounts annual audit required by [IC 4-35-7-12\(h\)](#).**

(b) An association shall file the following:

- (1) A copy of all tax returns.
- (2) A balance sheet.
- (3) A profit and loss statement.

(c) An association shall file with the commission an unaudited balance sheet and profit and loss statement as required by the commission. Those submissions must be in a format which conforms with the requirements set out in the permit.

(d) An association shall file an annual consolidated financial statement, audited by independent certified public accountants, for the track and the simulcast operations, with the commission no later than March 31 after the close of its fiscal year, which reflects operations during the preceding calendar year. The audit must be in a format which conforms with the requirements set out in the permit application. The commission, upon good cause shown, may extend the time for filing.

(e) An association shall file with the commission a copy of any tax audit report received from the Internal Revenue Service, Indiana department of revenue, or any other federal or state agency auditing the association.

(Indiana Horse Racing Commission; [71 IAC 4-2-3](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1134; emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2837, eff Jul 1, 1995; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2071; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 29, 2009, 11:33 a.m.: [20091104-IR-071090870ERA](#), eff Oct 26, 2009 [[IC 4-22-2-37.1](#) establishes the effectiveness of an emergency rule upon filing with the Publisher. LSA Document #09-870(E) was filed with the Publisher October 29, 2009.]; emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 8. [71 IAC 5-1-14](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 5-1-14](#) Grounds for sanctions

Authority: [IC 4-31-6-2](#); [IC 4-31-13-1](#)

Affected: [IC 4-31-3-13](#); [IC 4-31-6-6](#)

Sec. 14. (a) The commission may refuse or deny a license application, revoke or suspend a license, or otherwise penalize a licensee, or other person, if:

- (1) the refusal, denial, revocation, suspension, or other penalty is in the public interest for the purpose of maintaining proper control over horse racing meetings or pari-mutuel wagering; and
- (2) any of the conditions listed in subsection (b) apply to the applicant or licensee or person.

(b) The conditions referred to in subsection (a) include, but are not limited to, the following:

- (1) The person has been convicted of a felony or misdemeanor that could compromise the integrity of racing by the applicant's or licensee's participation in racing.
- (2) The person has had a license of the legally constituted racing or gaming authority of a state, province, or country denied, suspended, or revoked for cause within the preceding five (5) years.
- (3) The person is presently under suspension for cause of a license by the legally constituted racing authority of a state, province, or country.
- (4) The person has violated or attempted to violate a provision of this article, these rules, or a law or rule with respect to horse racing in a jurisdiction.
- (5) The person has perpetrated or attempted to perpetrate a fraud or misrepresentation in connection with the

racing or breeding of horses or pari-mutuel wagering.

(6) The person has demonstrated financial irresponsibility by accumulating unpaid obligations, defaulting on obligations, or issuing drafts or checks that are dishonored or not paid.

(7) The applicant or licensee has made a material misrepresentation in an application for a license.

(8) The person has been convicted of a crime involving bookmaking, touting, or similar pursuits or has consorted with a person convicted of such an offense.

(9) The person has abandoned, mistreated, abused, neglected, or engaged in an act of cruelty to a horse.

(10) The person has engaged in conduct that is against the best interest of horse racing or compromises the integrity of operations at a track or satellite facility.

(11) The person has failed to comply with a written order or ruling of the commission or judges pertaining to a racing matter.

(12) The person has failed to answer correctly under oath, to the best of the person's knowledge, all questions asked by the commission or its representatives pertaining to a racing matter.

(13) The person has failed to comply with a summons issued by the executive director or director of security pursuant to [IC 4-31-3-13\(c\)](#).

~~(13)~~ **(14)** The person has failed to return to a permit holder any purse money, trophies, or awards paid in error or ordered redistributed by the commission.

~~(14)~~ **(15)** The person has had possession of an alcoholic beverage on a permit holder's premises, other than a beverage legally sold through the permit holder's concession operation.

~~(15)~~ **(16)** The person has interfered with or obstructed a member of the commission, a commission employee, or a racing official while performing official ~~duties~~. **duties** *[sic]*.

~~(16)~~ **(17)** The name of the applicant or licensee appears on the department of state revenue's most recent tax warrant list, and the person's delinquent tax liability has not been satisfied.

~~(17)~~ **(18)** The person has pending criminal charges.

~~(18)~~ **(19)** The person has racing or gaming disciplinary charges pending in this state or other jurisdictions.

~~(19)~~ **(20)** The applicant or licensee is unqualified to perform the duties required.

~~(20)~~ **(21)** The person has made a material misrepresentation in the process of registering, nominating, entering, or racing a horse as an Indiana owned, Indiana bred or Indiana sired.

~~(21)~~ **(22)** The applicant or licensee is an illegal alien.

(c) A license suspension or revocation shall be reported in writing to the applicant, the USTA, and the ARCI, whereby other racing jurisdictions shall be advised.

(Indiana Horse Racing Commission; [71 IAC 5-1-14](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1141; emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2847, eff Jul 1, 1995; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2074; emergency rule filed Feb 12, 1998, 4:15 p.m.: 21 IR 2396; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 9. [71 IAC 5-1-16](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 5-1-16](#) License restrictions, limitations, and conditions

Authority: [IC 4-31-6-2](#)

Affected: [IC 4-31](#)

Sec. 16. The commission or its designee, for cause, may restrict, limit, or place conditions, **including probationary status**, on any license ~~including probationary status~~. **at the time of issuance.**

(Indiana Horse Racing Commission; [71 IAC 5-1-16](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1142; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 10. [71 IAC 5-1-18](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 5-1-18](#) Changes in application information

Authority: [IC 4-31-6-2](#)

Affected: [IC 4-31](#)

Sec. 18. During the period for which a license has been issued, the licensee shall report to the commission changes in information provided on the license application, including the following:

- (1) Current legal name.
- (2) Marital status.
- (3) Permanent address.
- (4) Pending criminal complaints.
- (5) Criminal convictions.
- (6) License suspensions of ten (10) days or more.
- (7) License revocations or fines of five hundred dollars (\$500) or more in other jurisdictions.
- (8) Racing related disciplinary charges pending in other jurisdictions.

Such information shall be upon the appropriate commission form, signed by the licensee, and filed at the commission offices **within ten (10) days of change**.

(Indiana Horse Racing Commission; [71 IAC 5-1-18](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1142; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 11. [71 IAC 5.5-1-13](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 5.5-1-13](#) License denial

Authority: [IC 4-31-6-2](#)

Affected: [IC 4-31](#)

Sec. 13. ~~The commission, the stewards, or the executive director as the commission's designee may formally deny an application in accordance with these rules.~~ If an applicant contests the basis of the denial of a license application not later than fifteen (15) days after notice is served, ~~the stewards (or an administrative law judge if the stewards are unavailable)~~ shall conduct a hearing pursuant to the procedures provided for in [71 IAC 10](#). Nonetheless, a hearing challenging the denial of a license application is not considered to be a disciplinary action. **The commission may formally deny an application in accordance with these rules.** An application that is denied shall be reported:

- (1) in writing to the applicant stating the reasons for denial and the date when a reapplication may be submitted; and
- (2) to the USTA and the ARCI, which shall then advise other racing jurisdictions.

(Indiana Horse Racing Commission; [71 IAC 5.5-1-13](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2851, eff Jul 1, 1995; emergency rule filed Aug 23, 2001, 9:58 a.m.: 25 IR 118; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 12. [71 IAC 5.5-1-14](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 5.5-1-14](#) Grounds for sanctions

Authority: [IC 4-31-6-2](#); [IC 4-31-13-1](#)

Affected: [IC 4-31-3-13](#); [IC 4-31-6-6](#)

Sec. 14. (a) The commission may refuse or deny a license application, revoke or suspend a license, or otherwise penalize a licensee, or other person, if:

- (1) the refusal, denial, revocation, suspension, or other penalty is in the public interest for the purpose of maintaining proper control over horse racing meetings or pari-mutuel wagering; and
- (2) any of the conditions listed in subsection (b) apply to the applicant or licensee or person.

(b) The conditions referred to in subsection (a) include, but are not limited to, the following:

- (1) The person has been convicted of a felony or misdemeanor that could compromise the integrity of racing by the applicant's or licensee's participation in racing.
- (2) The person has had a license of the legally constituted racing or gaming authority of a state, province, or country denied, suspended, or revoked for cause within the preceding five (5) years.
- (3) The person is presently under suspension for cause of a license by the legally constituted racing authority of a state, province, or country.

- (4) The person has violated or attempted to violate a provision of this article, these rules, or a law or rule with respect to horse racing in a jurisdiction.
- (5) The person has perpetrated or attempted to perpetrate a fraud or misrepresentation in connection with the racing or breeding of horses or pari-mutuel wagering.
- (6) The person has demonstrated financial irresponsibility by accumulating unpaid obligations, defaulting on obligations, or issuing drafts or checks that are dishonored or not paid.
- (7) The applicant or licensee has made a material misrepresentation in an application for a license.
- (8) The person has been convicted of a crime involving bookmaking, touting, or similar pursuits or has consorted with a person convicted of such an offense.
- (9) The person has abandoned, mistreated, abused, neglected, or engaged in an act of cruelty to a horse.
- (10) The person has engaged in conduct that is against the best interest of horse racing or compromises the integrity of operations at a track or satellite facility.
- (11) The person has failed to comply with a written order or ruling of the commission or judges pertaining to a racing matter.
- (12) The person has failed to answer correctly under oath, to the best of the person's knowledge, all questions asked by the commission or its representatives pertaining to a racing matter.
- (13) The person has failed to comply with a summons issued by the executive director or director of security pursuant to [IC 4-31-3-13\(c\)](#).**
- ~~(13)~~ **(14)** The person has failed to return to a permit holder any purse money, trophies, or awards paid in error or ordered redistributed by the commission.
- ~~(14)~~ **(15)** The person has had possession of an alcoholic beverage on a permit holder's premises, other than a beverage legally sold through the permit holder's concession operation.
- ~~(15)~~ **(16)** The person has interfered with or obstructed a member of the commission, a commission employee, or a racing official while performing official duties.
- ~~(16)~~ **(17)** The name of the applicant or licensee appears on the department of state revenue's most recent tax warrant list, and the person's delinquent tax liability has not been satisfied.
- ~~(17)~~ **(18)** The person has pending criminal charges.
- ~~(18)~~ **(19)** The person has racing or gaming disciplinary charges pending in this state or other jurisdictions.
- ~~(19)~~ **(20)** The applicant or licensee is unqualified to perform the duties required.
- ~~(20)~~ **(21)** The person has made a material misrepresentation in the process of registering, nominating, entering, or racing a horse as an Indiana owned, Indiana bred, or Indiana sired.
- ~~(21)~~ **(22)** The applicant or licensee is an illegal alien.

(c) A license suspension or revocation shall be reported in writing to the applicant, the USTA, and the ARCI, whereby other racing jurisdictions shall be advised.

(Indiana Horse Racing Commission; [71 IAC 5.5-1-14](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2851, eff Jul 1, 1995; emergency rule filed May 20, 1996, 10:00 a.m.: 19 IR 2891; emergency rule filed Feb 13, 1998 10:00 a.m.: 21 IR 2416; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 13. [71 IAC 5.5-1-16](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 5.5-1-16](#) License restrictions, limitations, and conditions

Authority: [IC 4-31-6-2](#)

Affected: [IC 4-31](#)

Sec. 16. The commission or its designee, for cause, may restrict, limit, or place conditions, **including probationary status**, on any license ~~including probationary status:~~ **at the time of issuance.**

(Indiana Horse Racing Commission; [71 IAC 5.5-1-16](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2852, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 14. [71 IAC 5.5-1-18](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 5.5-1-18](#) Changes in application information

Authority: [IC 4-31-6-2](#)

Affected: [IC 4-31](#)

Sec. 18. During the period for which a license has been issued, the licensee shall report to the commission changes in information provided on the license application, including the following:

- (1) Current legal name.
- (2) Marital status.
- (3) Permanent address.
- (4) Pending criminal complaints.
- (5) Criminal convictions.
- (6) License suspensions of ten (10) days or more.
- (7) License revocations or fines of five hundred dollars (\$500) or more in other jurisdictions.
- (8) Racing related disciplinary charges pending in other jurisdictions.

Such information shall be upon the appropriate commission form, signed by the licensee, and filed at the commission offices **within ten (10) days of change**.

(Indiana Horse Racing Commission; [71 IAC 5.5-1-18](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2852, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 15. [71 IAC 8-10-6](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 8-10-6](#) Penalties

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 6. (a) Upon a finding of a positive test, the judges or commission shall, to the extent of its regulatory authority, impose the following sanctions:

- (1) For a licensee's first violation, he or she shall be suspended for thirty (30) days and shall be subject to a mandatory drug retest after thirty (30) days from the first violation of this article. Such additional drug test shall be done by the commission testing laboratory at the licensee's expense. Until such retest achieves negative results, the licensee shall remain suspended.
- (2) For a second violation, the licensee shall be suspended for a minimum of sixty (60) days and shall be required to enroll in a substance abuse treatment program approved by the commission. It shall be the licensee's responsibility to provide the commission with written notice of his or her enrollment, weekly status reports, and written notice that he or she has successfully completed the program and has been discharged. The licensee shall remain suspended until the requirements have been fulfilled. ~~or for a period of not less than sixty (60) days, whichever is greater.~~ The requirements shall include an additional drug test with negative results. Such test shall be under the supervision or approval of the commission.
- (3) For a third violation, the licensee will receive a mandatory suspension of his or her license for a period of one (1) year and shall not be eligible to reapply for his or her license until the applicant pays for and submits to two (2) urine samples thirty (30) days apart with both samples failing to show any trace of a controlled substance or prescription drug. All such samples shall be obtained and tested by the commission or approved by the commission at a location and in a manner prescribed by the commission and at the expense of the licensee. After the licensee has received two (2) negative tests, he or she may reapply for a license unless his or her continuing participation at a race meeting shall be deemed by the commission director of security or his or her designee to be detrimental to the best interest of horse racing.

(b) Prior human controlled substance or prescription drug violations reflected on a person's racing record from any jurisdiction recognized by the commission, including Indiana, shall be counted as violations when determining appropriate penalties as set forth in subsection (a).

(c) In determining the penalty to impose for an offense covered by this rule, the judges or the commission may consider any mitigating and/or exacerbating circumstances and make an appropriate adjustment to the penalties which are set forth in subsection (a).

(Indiana Horse Racing Commission; [71 IAC 8-10-6](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1177; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2163; emergency rule filed Feb 24, 2000, 2:32 p.m.: 23 IR 1670, eff Feb 24, 2000; errata filed Mar 13, 2000, 7:36 a.m.: 23 IR 1656; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 16. [71 IAC 8-11-3](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 8-11-3](#) Penalties

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31-8-4](#); [IC 4-31-13](#)

Sec. 3. (a) A person whose breath test shows a reading of more than five-hundredths of one percent (0.05%) by weight of alcohol in the person's breath or blood shall be summarily suspended under the rules of the commission and subject to any other sanction available to the commission pursuant to the provisions of [IC 4-31-13](#).

(b) The judges may relieve a licensee, except an owner, owner/trainer, or trainer, of any duties for that day should that person show a reading between ~~one-hundredths~~ **one-hundredth** of one percent (0.01%) and five-hundredths of one percent (0.05%) by weight of alcohol in a person's blood.

(c) The permit holder's security department shall immediately inform the judges of any reading of ~~one-hundredths~~ **one-hundredth** of one percent (0.01%) or and above.

(Indiana Horse Racing Commission; [71 IAC 8-11-3](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1177; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2082; emergency rule filed Feb 24, 2000, 2:32 p.m.: 23 IR 1671, eff Feb 24, 2000; errata filed Mar 13, 2000, 7:36 a.m.: 23 IR 1656; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Mar 27, 2002, 10:25 a.m.: 25 IR 2538; emergency rule filed Jan 21, 2004, 2:30 p.m.: 27 IR 1920; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 17. [71 IAC 8.5-10-4](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 8.5-10-4](#) Taking of samples

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 4. Any applicant or licensee selected by direction of the stewards, commission personnel, or their designee, who is requested to submit to a urine test shall, without undue delay, at a location and ~~in~~ in the manner prescribed by the commission provide the urine sample.

(Indiana Horse Racing Commission; [71 IAC 8.5-10-4](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2887, eff Jul 1, 1995; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 18. [71 IAC 8.5-10-6](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 8.5-10-6](#) Penalties

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 6. (a) Upon a finding of a positive test, the stewards or commission shall, to the extent of its regulatory authority, impose the following sanctions:

- (1) For a licensee's first violation, he or she shall be suspended for thirty (30) days and shall be subject to a mandatory drug retest after thirty (30) days from the first violation of this article. Such additional drug test shall be done by the commission testing laboratory at the licensee's expense. Until such retest achieves negative results, the licensee shall remain suspended.
- (2) For a second violation, the licensee shall be suspended for a minimum of sixty (60) days and shall be required to enroll in a substance abuse treatment program approved by the commission. It shall be the licensee's responsibility to provide the commission with written notice of his or her enrollment, weekly status reports, and written notice that he or she has successfully completed the program and has been discharged. The licensee shall remain suspended until the requirements have been fulfilled. The requirements shall

include an additional drug test with negative results. Such test shall be under the supervision or approval of the commission.

(3) For a third violation, the licensee shall be suspended for a minimum of sixty (60) days and shall be required to enroll in a substance abuse treatment program approved by the commission. It shall be the licensee's responsibility to provide the commission with written notice of his or her enrollment, weekly status reports, and written notice that he or she has successfully completed the program and has been discharged. The licensee shall remain suspended until the requirements have been fulfilled. The person shall not be eligible to reapply for his or her license until the applicant pays for and submits to two (2) urine samples thirty (30) days apart with both samples failing to show any trace of a controlled substance or prescription drug. All such samples shall be obtained and tested by the commission or approved by the commission at a location and in a manner prescribed by the commission and at the expense of the licensee. After the licensee has received two (2) negative tests, he or she may reapply for a license unless his or her continuing participation at a race meeting shall be deemed by the commission director of security or his or her designee to be detrimental to the best interest of horse racing.

(b) Prior human controlled substance or prescription drug violations reflected on a person's racing record from any jurisdiction recognized by the commission, including Indiana, shall be counted as violations when determining appropriate penalties as set forth in subsections (a).

(c) In determining the penalty to impose for an offense covered by this rule, the stewards or the commission may consider any mitigating ~~and/or~~ or exacerbating circumstances and make an appropriate adjustment to the penalties which are set forth in subsection (a).

(Indiana Horse Racing Commission; [71 IAC 8.5-10-6](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2888, eff Jul 1, 1995; emergency rule filed Mar 25, 1997, 10:00 a.m.: 20 IR 2158; emergency rule filed Jun 22, 2000, 3:05 p.m.: 23 IR 2784; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Aug 20, 2002, 3:00 p.m.: 26 IR 58; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 19. [71 IAC 8.5-11-3](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 8.5-11-3](#) Penalties

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31-8-4](#); [IC 4-31-13](#)

Sec. 3. (a) A person whose breath test shows a reading of more than five-hundredths of one percent (0.05%) by weight of alcohol in the person's breath or blood shall be summarily suspended under the rules of the commission and subject to any other sanction available to the commission pursuant to the provisions of [IC 4-31-13](#).

(b) The stewards may relieve a licensee, except an owner, owner/trainer, or trainer, of any duties for that day should that person show a reading between ~~one-hundredths~~ **one-hundredth** of one percent (0.01%) and five-hundredths of one percent (0.05%) by weight of alcohol in a person's blood.

(c) The permit holder's security department shall immediately inform the stewards of any reading of ~~one-hundredths~~ **one-hundredth** of one percent (0.01%) or ~~and~~ above.

(Indiana Horse Racing Commission; [71 IAC 8.5-11-3](#); emergency rule filed Jun 15, 1995, 5:00 p.m.: 18 IR 2888, eff Jul 1, 1995; emergency rule filed May 20, 1996, 10:00 a.m.: 19 IR 2894; emergency rule filed Jun 22, 2000, 3:05 p.m.: 23 IR 2785; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Jan 21, 2004, 2:30 p.m.: 27 IR 1921; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 20. [71 IAC 9-1-18](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 9-1-18](#) Unrestricted access

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 18. The association shall permit the commission unrestricted access at all times to its facilities and equipment and to all books, ledgers, accounts, **audit records**, documents, and records of the association that relate to pari-mutuel wagering.

(Indiana Horse Racing Commission; [71 IAC 9-1-18](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1181; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 21. [71 IAC 9-1.1-2](#) IS AMENDED TO READ AS FOLLOWS:

Rule 1.1. Mobile Gaming Definitions

[71 IAC 9-1.1-2](#) "Mobile gaming" defined

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 2. "Mobile ~~wagering~~ **gaming**" means an electronic wireless system approved by the commission that allows a patron to place wagers funded by a mobile wagering account by means of a mobile ~~wagering~~ **gaming** device.

(Indiana Horse Racing Commission; [71 IAC 9-1.1-2](#); emergency rule filed Dec 31, 2012, 11:27 a.m.: [20130109-IR-071120674ERA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 22. [71 IAC 9-1.1-3](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 9-1.1-3](#) "Mobile wagering account" defined

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 3. "Mobile wagering account" means a system of account wagering available to mobile ~~wagering~~ **gaming** patrons.

(Indiana Horse Racing Commission; [71 IAC 9-1.1-3](#); emergency rule filed Dec 31, 2012, 11:27 a.m.: [20130109-IR-071120674ERA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 23. [71 IAC 9-1.1-4](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 9-1.1-4](#) "Mobile gaming device" defined

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 4. "Mobile ~~wagering~~ **gaming** device" means an electronic contrivance capable of interacting with a totalizator system, which allows the placing of wagers wirelessly.

(Indiana Horse Racing Commission; [71 IAC 9-1.1-4](#); emergency rule filed Dec 31, 2012, 11:27 a.m.: [20130109-IR-071120674ERA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 24. [71 IAC 9-1.5-1](#) IS AMENDED TO READ AS FOLLOWS:

Rule 1.5. Mobile Gaming

[71 IAC 9-1.5-1](#) General rules

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 1. (a) A patron utilizing a mobile ~~wagering~~ **gaming** device must:

- (1) abide by all current commission rules and regulations;
- (2) be eighteen (18) years of age or older;
- (3) establish a mobile wagering account; and
- (4) place all wagers within areas approved by the commission.

(b) The mobile ~~wagering~~ **gaming** device must be:

- (1) approved by the commission;
- (2) connected to an association's secure network;
- (3) inoperable for wagering when:
 - (A) not connected to an association's secure network; or
 - (B) outside areas approved by the commission; and
- (4) capable of patron review of and cancellation of wagers.

(Indiana Horse Racing Commission; [71 IAC 9-1.5-1](#); emergency rule filed Dec 31, 2012, 11:27 a.m.: [20130109-IR-071120674ERA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 25. [71 IAC 9-1.5-2](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 9-1.5-2](#) Mobile gaming device account wagering

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 2. (a) A mobile wagering account patron must:

- (1) be eighteen (18) years of age or older;
- (2) provide such personal information as the association and commission require;
- (3) open the mobile wagering account on association grounds; and
- (4) agree in writing to obey all mobile account wagering rules and regulations as the commission and association require.

(b) An association must provide each mobile wagering account patron the following:

- (1) a personal account username or number;
- (2) a confidential account password or pin number;
- (3) an electronic record of information required by section 2(d) of this rule [*subsection (d)*]; and
- (4) a printed or electronic record of the wagers made that day by the patron if requested by the patron.

(c) A mobile wagering account must be:

- (1) funded only by cash, voucher, winning pari-mutuel ticket, or refunded pari-mutuel ticket;
- (2) nontransferable between patrons; and
- (3) subject to withdrawal by the mobile wagering account patron at all times when pari-mutuel tickets may be cashed.

(d) The association must maintain the following information on wagers funded by a mobile wagering account:

- (1) the name of the association operating the meeting;
- (2) a unique identifying number or code;
- (3) identification of the mobile ~~wagering~~ **gaming** device on which the wager was issued;
- (4) a designation of the performance for which the wagering transaction was issued;
- (5) the contest number for which the pool is conducted;
- (6) the type or types of wagers represented;
- (7) the number or numbers representing the betting interests for which the wager is recorded; and
- (8) the amount or amounts of the contributions to the pari-mutuel pool or pools to which mobile wagers were recorded.

(Indiana Horse Racing Commission; [71 IAC 9-1.5-2](#); emergency rule filed Dec 31, 2012, 11:27 a.m.: [20130109-IR-071120674ERA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 26. [71 IAC 10-2-10](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 10-2-10](#) Stay

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31-13](#)

Sec. 10. (a) A person who has been disciplined by a ruling of the judges may apply to the commission for a stay of the ruling, pending action on an appeal by the commission.

(b) An application for a stay must be filed with the commission not later than the deadline for filing an appeal.

(c) An application for a stay must be in writing and include the following:

- (1) The name, address, telephone number, and signature of the person requesting the stay.
- (2) A statement of the justification for the stay.
- (3) The period of time for which the stay is requested.

(d) On a finding of good cause, the commission may grant the stay. ~~A ruling on the stay must be rendered within five (5) days from the time of the application for stay is filed with the commission or the stay is deemed granted.~~ The commission shall notify the person in writing of the commission's decision. The commission may rescind a stay granted under this subsection for good cause.

(e) The fact that a stay is granted is not a presumption that the ruling by the judges is invalid.

(Indiana Horse Racing Commission; [71 IAC 10-2-10](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1201; emergency rule filed Feb 13, 1998, 10:00 a.m.: 21 IR 2427; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 27. [71 IAC 10-3-1](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 10-3-1](#) Initiation of proceedings

Authority: [IC 4-31-3-9](#); [IC 4-31-3-13](#)

Affected: [IC 4-21.5-3-22](#); [IC 4-21.5-3-29](#); [IC 4-31](#)

Sec. 1. (a) A proceeding before the commission may be initiated by a person who timely files an appeal from a judge's ruling.

(b) The commission may in its discretion initiate a disciplinary action against any person under [IC 4-31](#). Such an action may be brought upon the recommendation of the executive director, by the commission on its own motion, or by the commission for the purpose of modifying or assessing penalties or sanctions, or both, in addition to any penalties or sanctions assessed by the judges. ~~If the commission or the executive director brings~~ An action under this section ~~such action~~ is to be initiated pursuant to the provisions of section 20 of this rule.

(c) The commission may institute a proceeding for the enforcement of a subpoena **or summons** which is issued in support of its power to investigate licensees of the commission ~~and/or~~ **or** any suspected violation of the pari-mutuel statutes or a rule adopted by the commission.

(d) In the event that the commission initiates a proceeding under section 20 of this rule, the issues in that proceeding or on any subsequent appeal shall be limited to those raised by the commission or its designee. In no way shall the issuance of a preliminary report **an administrative complaint** act as a waiver or otherwise extend the time limits for the appeal of a ruling set forth in this article.

(Indiana Horse Racing Commission; [71 IAC 10-3-1](#); emergency rule filed Feb 10, 1994, 9:20 a.m.: 17 IR 1201; emergency rule filed Jan 27, 1995, 3:30 p.m.: 18 IR 1506; errata filed Mar 23, 1995, 4:30 p.m.: 18 IR 2126; emergency rule filed Mar 25, 1996, 10:15 a.m.: 19 IR 2086; emergency rule filed Feb 12, 1998, 4:15 p.m.: 21 IR

2397; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; emergency rule filed Mar 20, 2007, 1:43 p.m.: [20070404-IR-071070198ERA](#), eff Mar 16, 2007 [[IC 4-22-2-37.1](#) establishes the effectiveness of an emergency rule upon filing with the Publisher. LSA Document #07-198(E) was filed with the Publisher March 20, 2007.]; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 28. [71 IAC 11-1-12.1](#) IS ADDED TO READ AS FOLLOWS:

[71 IAC 11-1-12.1](#) Distribution agreements

Authority: [IC 4-35-7-12](#); [IC 4-35-7-16](#)

Affected: [IC 4-31](#); [IC 4-35](#)

Sec. 12.1. (a) The parties to the distribution agreement under [IC 4-35-7-16](#) shall, on or before October 1 of each calendar year, report to the commission the effect of each distribution agreement on the Indiana horse racing industry.

(b) The parties submitting a proposed distribution agreement to the commission for approval under [IC 4-35-7-16](#) shall have the burden of proving:

- (1)** The distribution agreement is in the best interests of pari-mutuel horse racing in Indiana.
- (2)** The distribution agreement ensures the maintenance of the highest standards and greatest level of integrity.
- (3)** The distribution is fair to all parties.
- (4)** The licensees are financially stable.

(Indiana Horse Racing Commission; [71 IAC 11-1-12.1](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 29. [71 IAC 13-1-1](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 13-1-1](#) Registration of horsemen's associations

Authority: [IC 4-31-3-9](#); [IC 4-35-7-12](#)

Affected: [IC 4-31](#); [IC 4-35](#)

Sec. 1. (a) A horsemen's association must register with the commission annually in order to be eligible to receive monies from permit holders pursuant to the provisions of [IC 4-35-7-12](#). Unless otherwise directed by the commission, and except as provided in subsection (c), a horsemen's association shall file its registration (accompanied by all supporting materials required by this article) with the commission not later than September 1 of the year preceding the calendar year for which the funds are to be paid. Except as provided in subsection (c), the commission shall approve or deny a registration not later than December 31 of the year preceding the calendar year for which the funds are to be paid. The registration for an upcoming calendar year must be approved by the commission before a horsemen's association is entitled to receive any funds from permit holders as provided for by [IC 4-35-7-12](#) and before permit holders may make payment to a particular horsemen's association. The registration of a horsemen's association for a calendar year becomes effective upon the approval of the commission, not upon the filing of the registration.

(b) The deadlines set forth in subsections (a) and (c) for the commission to approve or deny a registration shall not apply when more than one (1) horsemen's association registers to be eligible to receive the same source of funds specified in [IC 4-35-7-12](#). In that event, the commission shall approve or deny the registrations as expeditiously as possible, but not later than February 28 of the calendar year in which the funds are to be paid.

~~**(c)** A horsemen's association may register with the commission to receive funds pursuant to [IC 4-35-7-12](#) from gaming revenues generated during calendar years 2008 and 2009 in a single registration (accompanied by all supporting materials required by this article). That registration may be filed by a horsemen's association at any time after this article becomes effective and shall be filed not later than September 1, 2008. The commission shall approve or deny all such registrations as expeditiously as possible, but not later than December 31, 2008, unless subsection (b) applies or if there is a failure by a horsemen's association seeking approval of registration to timely provide information that may be requested by the commission.~~

(d) (c) If, at the time a permit holder is required to make a payment of funds to a horsemen's association pursuant to [IC 4-35-7-12](#), either:

(1) the commission has not approved the registration of a horsemen's association otherwise eligible to receive the permit holder's payment; or

(2) for any other reason, no horsemen's association is eligible to receive the permit holder's payment; then the permit holder shall pay the funds required to be paid under [IC 4-35-7-12](#) into one (1) or more interest bearing escrow accounts established and maintained by the permit holder solely for the purpose of holding and distributing those funds as may be directed by the commission. When a horsemen's association becomes eligible to receive payments from a permit holder pursuant to [IC 4-35-7-12](#) and this article, the commission shall immediately direct the release of the escrowed funds and all interest earned on those funds to the eligible horsemen's association, and the permit holder shall thereafter make payments to that horsemen's association in the manner provided by [IC 4-35-7-12](#) and this article.

(Indiana Horse Racing Commission; [71 IAC 13-1-1](#); emergency rule filed Jul 11, 2008, 2:13 p.m.: [20080723-IR-071080595ERA](#); emergency rule filed Aug 15, 2008, 9:17 a.m.: [20080827-IR-071080675ERA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 30. [71 IAC 13-1-7](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 13-1-7](#) Financial reports

Authority: [IC 4-31-3-9](#); [IC 4-35-7-12](#)

Affected: [IC 4-31](#); [IC 4-35](#)

Sec. 7. (a) The commission may require periodic audits of the three separate accounts required by section 8(a)(7) of this rule in order to determine whether a registered horsemen's association has expended funds in compliance with [IC 4-35-7-12](#).

(b) At the time it files its registration under section 1 of this rule, a registered horsemen's association shall file with the commission a copy of its state and federal tax returns from the preceding calendar year.

(c) A registered horsemen's association shall file an unaudited balance sheet and profit and loss statement if kept in the regular course of the horsemen's association's business for the three (3) separate accounts required by section 8(a)(7) of this rule as required by the commission. Those submissions must be in a format which conforms with the categories set out in section 3(1) of this rule.

(d) A registered horsemen's association shall file an annual financial statement, audited by independent certified public accountants, with the commission not later than May 15 after the close of its fiscal year, which at minimum reflects operations of the three (3) separate accounts required by section 8(a)(7) of this rule during the preceding calendar year. The audit must be in format that conforms with the categories set out in section 3(1) of this rule. The commission, upon good cause shown, may extend the time for filing or permit the horsemen's association to file a report of an independent certified public accountant that is less rigorous than a full audit but which addresses the accounting, auditing, internal control, and reporting procedures for the separate accounts required by section 8(a)(7) of this rule.

(e) A registered horsemen's association shall file with the commission a copy of any tax audit report received from the Internal Revenue Service, Department of State Revenue, or any other federal or state agency auditing the registered horsemen's association, within thirty (30) days after the receipt thereof.

(f) A previously registered horsemen's association or a horsemen's association that has submitted a request for approval of registration with the commission shall provide any materials specified in section 6 of this rule and this section that are requested by the commissioner or its executive director.

(g) Upon receipt, a registered horsemen's association shall file with the commission annually any report received from the state board of accounts regarding any audit conducted pursuant to [IC 4-35-7-12\(h\)](#).

(Indiana Horse Racing Commission; [71 IAC 13-1-7](#); emergency rule filed Jul 11, 2008, 2:13 p.m.: [20080723-IR-071080595ERA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 31. [71 IAC 13.5-1-1](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 13.5-1-1](#) "Indiana bred" defined

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 1. (a) "Indiana bred" means any properly registered thoroughbred, foaled in Indiana and whose dam was registered with the commission.

(b) The mare must:

(1) have entered Indiana by November 1 in the year prior to foaling; ~~and or~~

(2) have been purchased at an advertised public sale prior to December 31 in the year prior to foaling.

Said mare must be in the state of Indiana within fourteen (14) days of purchase; and

~~(2)~~ **(3) remain in Indiana continuously until foaling.**

The resulting foal will then be eligible to be registered as an Indiana bred.

(c) Mares registered for current breeding year may leave the state to be entered in an advertised public sale and may leave the state for the interval of the sale, but must return to Indiana within fourteen (14) days of her sale if the residency requirements for foal registration are to be fulfilled.

(d) Appeal of the fourteen (14) day return requirement must be forwarded to the commission for the review and recommendation of the breed development advisory committee. Notification to the commission must be made in writing for mares leaving the state prior to participating in an advertised public sale. Upon return to the state, the mare must be reregistered with the appropriate forms available from the commission.

(e) In the event a mare entered Indiana and was registered with the commission after November 1 in the year prior to foaling, the foal (which must be foaled in Indiana) may be eligible to be registered as an Indiana bred **if the mare:**

(1) is registered within ten (10) days of foaling; and

~~(f) The mare must be~~ **(2) is bred back to a registered Indiana stallion in the year of foaling. for the foal to qualify as an Indiana bred. Mares registered under Sec.1 (b)(2) [subsection (b)(2)] are not required to breed back to a registered Indiana stallion.**

~~(g)~~ **(3) If the mare fails to conceive when bred or is unfit to breed due to health reasons, a veterinarian certificate is required from a licensed veterinarian.**

~~(h)~~ **(f) If the mare does not conceive, it must:**

(1) remain open for that breeding season in order for the mare's current foal to be eligible to be registered as an Indiana bred; and

(2) remain in Indiana for a period of thirty (30) days from the foaling date and the mare and foal must be inspected by a commission representative prior to leaving the state.

~~(i)~~ **(g) The commission must be notified in writing and provide proper documentation for any mare and/or foal leaving the state for medical treatment.**

~~(j)~~ **(h) Appeals for the waiver of the thirty (30) day residency requirement of the mare and/or foal must be forwarded to the commission for the review of the breed development committee.**

~~(k)~~ **(i) The horse must be registered with the commission prior to being entered in an Indiana bred conditioned race.**

(Indiana Horse Racing Commission; [71 IAC 13.5-1-1](#); emergency rule filed Jun 22, 2000; 3:05 p.m.: 23 IR 2786; emergency rule filed Aug 23, 2001, 9:58 a.m.: 25 IR 122; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Jan 24, 2008,

10:58 a.m.: [20080206-IR-071080056ERA](#), eff Jan 23, 2008 [[IC 4-22-2-37.1](#) establishes the effectiveness of an emergency rule upon filing with the Publisher. LSA Document #08-56(E) was filed with the Publisher January 24, 2008.]; errata filed Feb 18, 2008, 2:03 p.m.: [20080305-IR-071080056ACA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

SECTION 32. [71 IAC 13.5-2-1](#) IS AMENDED TO READ AS FOLLOWS:

[71 IAC 13.5-2-1](#) Mare registration

Authority: [IC 4-31-3-9](#)

Affected: [IC 4-31](#)

Sec. 1. (a) In order to be eligible to register a thoroughbred foal as Indiana bred, such foal must be:

(1) foaled in Indiana and its dam must be registered with the commission;

(2) have entered Indiana by November 1; ~~and or~~

(3) have been purchased at an advertised public sale prior to December 31 in the year prior to foaling.

Said mare must be in the state of Indiana within fourteen (14) days of purchase; and

~~(3)~~ **(4)** must remain in Indiana continuously until foaling.

(b) A current copy of the front and back of the mare's Jockey Club papers along with lease agreements are to be included with the registration.

(c) Mares registered for current breeding year may leave the state to be entered in an advertised public sale and may leave the state for the interval of the sale, but must return to Indiana within fourteen (14) days of her sale if the residency requirements for foal registration are to be fulfilled.

(d) Appeal of the fourteen (14) day return requirement must be forwarded to the commission for the review and recommendation of the breed development advisory committee. Notification to the commission must be made in writing for mares leaving the state prior to participating in an advertised public sale. Upon return to the state, the mare must be reregistered with the appropriate forms available from the commission.

(e) In the event a mare entered Indiana or is registered with the commission after November 1, the foal (which must be foaled in Indiana) may be eligible to be registered as an Indiana bred. To be eligible, the mare **must be:**

(1) registered within ten (10) days of foaling; and

~~(1) must be (2) bred back to a registered Indiana stallion in the year of foaling for the foal to qualify as an Indiana bred~~ **(Mares registered under Sec.1(b)(2) [sic] are not required to breed back to a registered Indiana stallion); and**

~~(2)~~ **(3)** the stallion must be registered with the commission in the year the foal was conceived.

(f) If the mare fails to conceive when bred or is unfit to breed due to health reasons, a veterinarian certificate is required from a licensed veterinarian.

(g) If the mare does not conceive, she must:

(1) remain open for that breeding season in order for the mare's current foal to be eligible to be registered as an Indiana bred; and

(2) remain in Indiana for a period of thirty (30) days from the foaling date and the mare and foal must be inspected by a commission representative prior to leaving the state.

(h) The commission must be notified in writing and provide proper documentation for any mare and/or foal leaving the state for medical treatment.

(i) Appeals for the waiver of the thirty (30) day residency requirement of the mare and/or foal must be forwarded to the commission for the review and recommendation of the breed development advisory committee.

(j) Mares in foal must be reregistered every year.

(Indiana Horse Racing Commission; [71 IAC 13.5-2-1](#); emergency rule filed Jun 22, 2000; 3:05 p.m.: 23 IR 786;

emergency rule filed Aug 23, 2001, 9:58 a.m.: 25 IR 122; readopted filed Oct 30, 2001, 11:50 a.m.: 25 IR 899; readopted filed Mar 23, 2007, 11:31 a.m.: [20070404-IR-071070030RFA](#); emergency rule filed Jan 24, 2008, 10:58 a.m.: [20080206-IR-071080056ERA](#), eff Jan 23, 2008 [[IC 4-22-2-37.1](#) establishes the effectiveness of an emergency rule upon filing with the Publisher. LSA Document #08-56(E) was filed with the Publisher January 24, 2008.]; errata filed Feb 18, 2008, 2:03 p.m.: [20080305-IR-071080056ACA](#); emergency rule filed Oct 3, 2013, 2:08 p.m.: [20131009-IR-071130452ERA](#))

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